

POWERING MEMBERS


2014 ANNUAL REPORT

CLEARWATER POWER COMPANY AND SUBSIDIARY



"We Care"

This institution is an equal opportunity provider and employer.

Your Touchstone Energy® Cooperative 

CONSOLIDATED BALANCE SHEET

GROWING TOGETHER

In 1937, no one imagined where electricity was going to take us. Nearly 80 years later, we're still building new lines to new people. Sometimes, it's a home that sprouts up where cattle used to graze. Other times, it's a new cattle ranch where there used to be nothing but sage brush and star thistle. For a Member-owned electric cooperative, the mission remains the same: Bring the power to the Members, wherever they need it, safely, reliably and affordably.



STATISTICAL DATA

	2014	2013
TIMES INTEREST EARNED RATIO (TIER)	2.35	2.06
MARGINS & EQUITIES AS PERCENTAGE OF ASSETS	39.08	38.06
NUMBER OF ACCOUNTS PER MILE OF LINE	3.61	3.62

CONSUMERS PER MILE OF LINE

MUNICIPAL UTILITIES*	48.0
INVESTOR-OWNED UTILITIES*	34.0
ELECTRIC COOPERATIVES*	7.40
CLEARWATER POWER COMPANY	3.61

*National averages based on NRECA Co-op Facts & Figures (EIA 2010)

ASSETS

PLANT IN SERVICE- AT COST

Electric plant in service
Construction work in progress

Propane plant and equipment

Less accumulated depreciation and amortization
Net plant

INVESTMENTS - AT COST

Investments in associated organizations
Other investments

CURRENT ASSETS

Cash and cash equivalents
Accounts receivable, less allowance for
doubtful receivables of \$39,645 in 2014
and \$52,694 in 2013
Unbilled revenue
Materials and supplies
Other

Total current assets

DEFERRED DEBITS

EQUITIES, MARGINS AND LIABILITIES

EQUITIES AND MARGINS

Patronage capital
Other equities
Unallocated earnings

LONG-TERM DEBT, less current maturities

CURRENT LIABILITIES

Accounts payable
Consumer deposits
Accrued taxes
Other current and accrued liabilities
Short-term line of credit
Current maturities of long-term debt
Total current liabilities

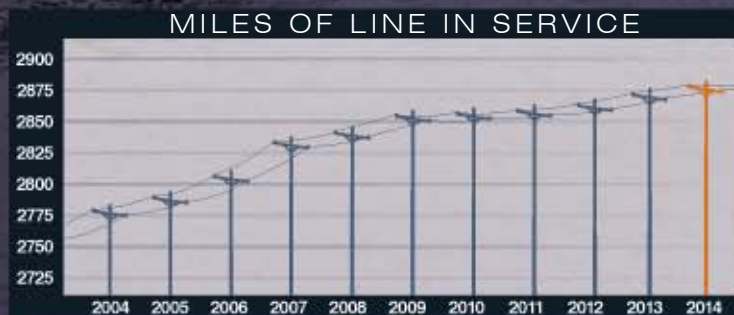
DEFERRED CREDITS

	2014	2013
PLANT IN SERVICE- AT COST		
Electric plant in service	\$80,218,596	\$77,826,186
Construction work in progress	65,333	202,874
	80,283,929	78,029,060
Propane plant and equipment	2,780,693	2,708,772
	83,064,622	80,737,832
Less accumulated depreciation and amortization	25,694,288	24,057,224
Net plant	57,370,334	56,680,608
INVESTMENTS - AT COST		
Investments in associated organizations	2,900,082	2,574,081
Other investments	22,383	22,383
	2,922,465	2,596,464
CURRENT ASSETS		
Cash and cash equivalents	2,475,097	1,156,572
Accounts receivable, less allowance for doubtful receivables of \$39,645 in 2014 and \$52,694 in 2013	2,151,916	2,357,307
Unbilled revenue	658,161	681,433
Materials and supplies	939,779	1,085,142
Other	378,617	244,696
Total current assets	6,603,570	5,525,150
DEFERRED DEBITS	1,471,176	1,674,097
	\$68,367,545	\$66,476,319
EQUITIES, MARGINS AND LIABILITIES		
EQUITIES AND MARGINS		
Patronage capital	\$24,309,863	\$23,520,842
Other equities	1,193,228	1,081,267
Unallocated earnings	825,767	736,767
	26,328,858	25,338,876
LONG-TERM DEBT, less current maturities	35,417,776	34,006,199
CURRENT LIABILITIES		
Accounts payable	1,161,328	1,338,242
Consumer deposits	544,457	526,236
Accrued taxes	447,058	468,186
Other current and accrued liabilities	2,268,353	1,473,296
Short-term line of credit	-	500,000
Current maturities of long-term debt	1,991,515	1,866,796
Total current liabilities	6,412,711	6,172,756
DEFERRED CREDITS	208,200	958,488
	\$68,367,545	\$66,476,319

CONSOLIDATED STATEMENTS OF REVENUES AND MARGINS

SHARING VISION

A community is a shared vision. We invest, we endure and we share. It is the product and culmination of many hands, many hearts and many hopes. We are all thankful for times of plenty. If anything positive can come from the disaster of a wildfire or a windstorm or a flood, it is the reassurance that we are all in this together.



OPERATING REVENUES & PATRONAGE CAPITAL

	2014	2013
	\$21,917,512	\$20,634,090

OPERATING EXPENSES

Cost of power, propane and other	9,694,948	8,786,040
Transmission expense	23,773	25,442
Operation	1,599,497	1,774,870
Maintenance	1,959,550	1,846,464
Consumer accounts	617,797	622,057
Customer service and information	361,838	255,498
Administrative and general	2,531,256	2,487,436
Depreciation and amortization	2,367,137	2,258,752
Taxes	396,075	393,162
Interest	1,263,275	1,270,548
Total operating expenses	20,815,146	19,720,269

Net operating margins	1,102,366	913,821
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NON-OPERATING MARGINS

Interest income	48,670	43,498
Other patronage	476,081	300,250
Other income	131,067	237,333
Total non-operating margins	655,818	581,081

Net margins before income tax	1,758,184	1,494,902
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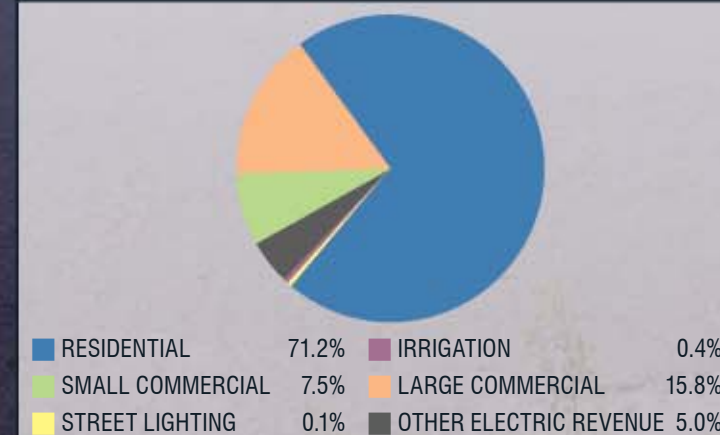
INCOME TAX EXPENSE

Current	(21,023)	(61,370)
Deferred	(67,800)	(14,493)
Total income tax expense	(88,823)	(75,863)

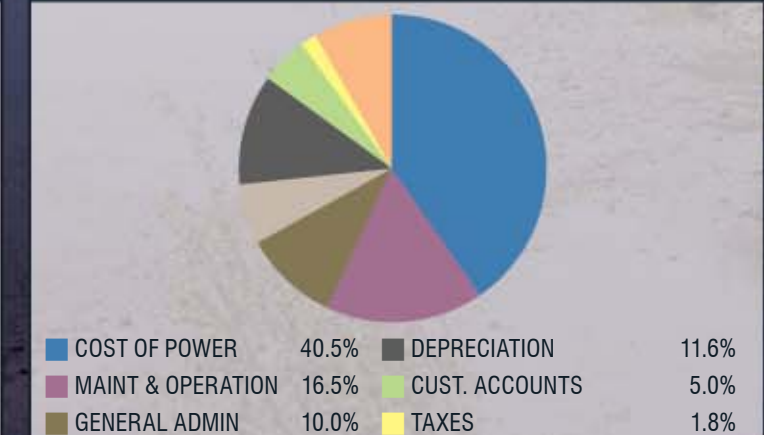
NET MARGINS

Net Margins	\$1,669,361	\$1,419,039
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2014 REVENUE SOURCES



2014 EXPENSES



STAYING TRUE

Clearwater Power is not a profit-driven company... quite the opposite really. A Member-owned utility is not like other businesses. We are governed by a Board of Directors who are co-op Members just like you. Our programs and services exist to benefit the Members; not for profit but for service. At the end of each year, any margins realized are allocated to Members based on patronage. Since 1988, Clearwater Power Company has paid over \$9 million back to our Members.



PROGRAMS AND SERVICES

BROADBAND INTERNET SERVICE

Exede® Internet is available virtually anywhere via satellite dish.

CLEARWATERPOWER.COM & SMARTHUB MOBILE APP

Manage your account, view electric usage and get power outage information.

YOUTH RALLY SCHOLARSHIPS

This annual leadership camp and scholarship competition is sponsored by consumer-owned utilities. Local sophomores and juniors compete for scholarships and for the opportunity to attend the week-long event.

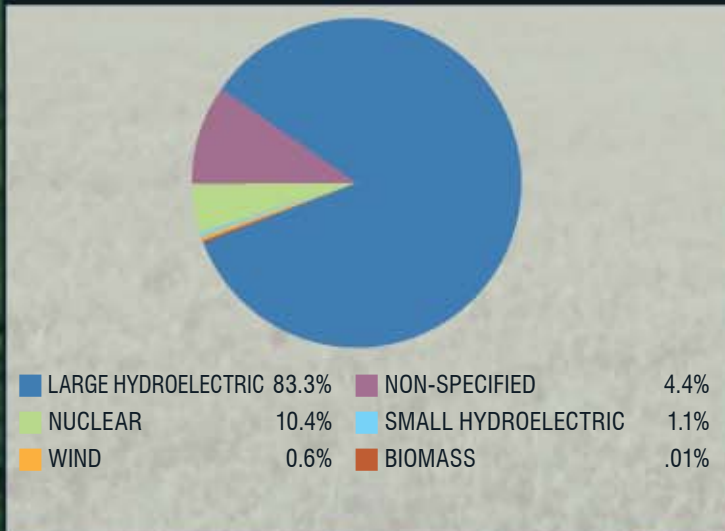
ELECTRICAL SAFETY DEMONSTRATION

Covering high and low voltage electrical safety, this free demonstration is offered to emergency medical and safety personnel, local schools and community groups. Demonstrations are available upon request.

CLEARWATER PROPANE

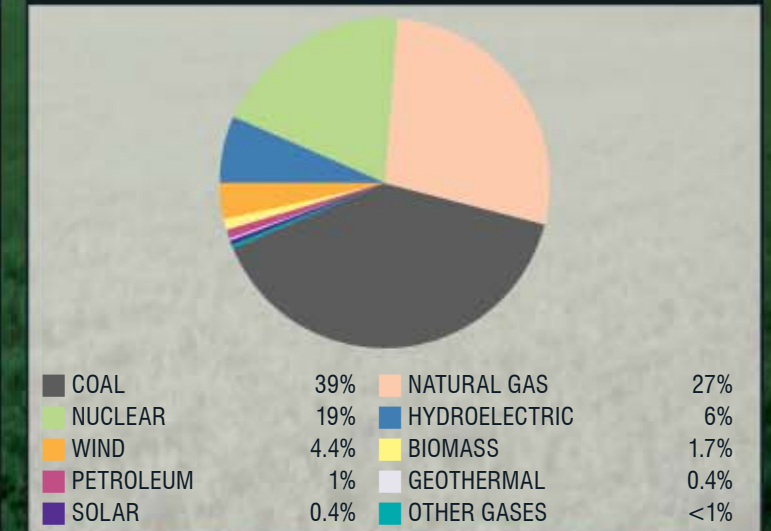
Reliable propane delivery with a focus on stable prices and premium customer service.

CLEARWATER POWER BPA FUEL MIX 2014



For information regarding non-specified generation, go to: clearwaterpower.com/fuelmix

U.S. ELECTRIC GENERATION MIX 2014



Major Energy Sources and Percent Share of Total U.S. Electricity Generation in 2014
U.S. Energy Information Administration

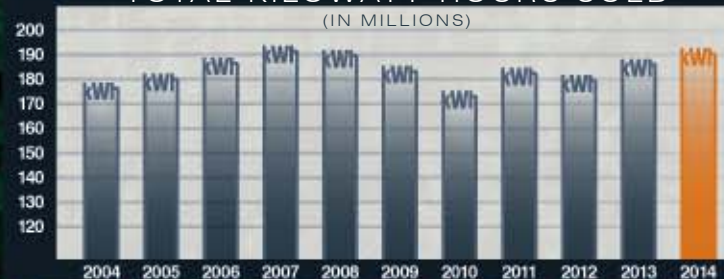
CAPITAL CREDIT DISBURSEMENTS TO MEMBERS



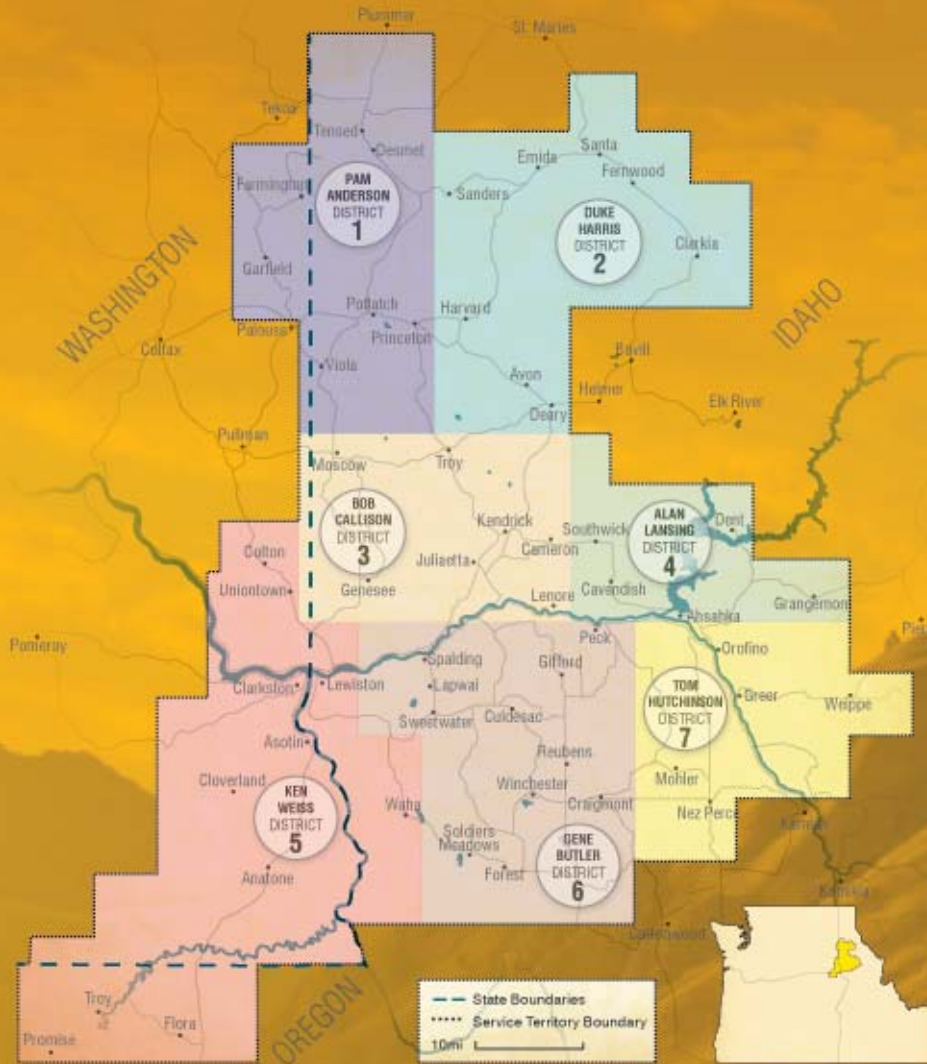
AVG. MONTHLY RESIDENTIAL USE (IN KILOWATT HOURS)



TOTAL KILOWATT-HOURS SOLD (IN MILLIONS)



COOPERATIVE SERVICE AREA



BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES & CONSULTANTS



Alan Lansing
President
Lenore, ID
District 4

Kenneth Weiss
Vice-President
Asotin, WA
District 5

M.M. Duke Harris
Secretary-Treasurer
St. Maries, ID
District 2

Robert Callison
Asst. Secretary/Treasurer
Kendrick, ID
District 3

Thomas Hutchinson
Director
Craigmont, ID
District 7

Pamela Anderson
Director
Pottlatch, ID
District 1

Richard E. Butler
Director
Culdesac, ID
District 6

Management and Staff

Dave Hagen, General Manager
Ed Ausman, Director of Purchasing and Warehousing
Lisa Hall, Manager of Financial and Office Services
Doug Pfaff, Manager of Engineering
Bob Pierce, Manager of Member Services
Scott Seegmiller, Manager of Information Systems
Cynthia Tarola, Director of Accounting
Lorrie McCabe, Director of Member Services
Stan Vannoy, Manager of Operations

Employees

Bobette Billow, Member Services Representative
Michelle Borders, Credit Representative
Anna Bosshardt, Accountant I
Jeff Braden, Lineman, Lewiston District
Cara Crea, Administrative Assistant

Kevin Cromer, Foreman, Lewiston District
Cari Dilling, Cashier/Receptionist
Chris Floch, District Serviceman, Lewiston District
Clint Fowler, Lineman, Lewiston District
Leslee Grubb, Engineering Representative
Greg Hansen, Member Services Technician
Rick Jones, Equipment Operator
Bruce Kennon, Lineman, Princeton District
Travis Key, Meterman
Doug Lacey, Foreman, Ahsahka District
Nathan Manfull, Groundperson
Jeff Marshall, Communications Specialist
Kurt McCann, District Serviceman, Princeton District
Cliff Miller, Foreman, Princeton District
Matt Moore, Lineman, Ahsahka District
Aundrea Morrison, Accountant II

Tom O'Connor, Fleet Mechanic
Rob Parkhurst, District Serviceman, Ahsahka District
Clint Reeves, Field Engineer
Tim Rimmelspacher, Warehouseperson
LaDana Sarbacher, Member Services Representative
Thomas Stanton, Lineman, Lewiston District
Joe Stockard, Foreman, Lewiston District
Deborah Tanner, Operations Dispatcher
Casey West, Lineman, Ahsahka District
Wayne White, Lineman, Lewiston District
Dirk Williams, Lineman, Princeton District
Lance Wilson, Field Engineer

Consultants

D. Hittle & Associates, Engineering
Blodgett, Mickelsen & Naef, P.S., Auditor
Sonyalee Nutsch, Attorney

This institution is an equal opportunity provider and employer.